TRAVANCORE LEGISLATIVE COUNCIL.

SECOND COUNCIL.

FIRST SESSION, 1101.

Monday, the 2nd November, 1925.

(OFFICIAL REPORT.)

The Council assembled in the Victoria Jubilee Town Hall, Trivandrum, at eleven-thirty of the clock, the President, M. E. Watts Esquire, B. A., BARRISTER-AT-LAW, presiding.

NEW MEMBERS.

The following new members subscribed their oath:

1. M. R. Ry. G. Narayana Pillai Avargal, B. A., B. L. (*Tiruvalla*).
2. M. R. Ry. M. Velu Pillai Avargal, B. A., (*Co-opted*).
3. M. R. Ry. S. Subrahmania Pillai Avargal (*Co-opted*).

QUESTIONS AND ANSWERS.

[*Order made by the President under Standing Order No. 12*—

(1) Printed copies of the questions and answers to be put and given at a meeting of the Council shall be placed on the Council table 15 minutes before the President takes his seat.

(2) The questions shall be put and answered in the following manner:—

The Secretary shall call the name of each interpellator in serial order, specify the serial number of his questions and make a sufficient pause to allow him a reasonable opportunity of rising in his place, if he is desirous of asking a supplementary question. Supplementary questions must be put immediately after the principal questions to which they relate.]

Depreciation of certain items in the Assets of the State.

1. **MR. G. RAMAN MENON** (*Mavelikara* cum *Kartikapalli*): (*a*) In view of the fact that, on page 4 of the Appropriation Report for 1099, it is the capital expenditure on the Kodayar Irrigation Project and on the Quilon-Trivandrum Railway that is shown among the assets of the State, will the Government be pleased to state approximately the actual value of those items at present or at the close of 1099 M. E.?

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[Mr. G. Raman Menon.]

(*b*) Will the Government be pleased to make arrangements for ascertaining approximately and publishing the actual value of those items at regular intervals in future?

MR. K. GEORGE (*Financial Secretary to Government*): (*a*) & (*b*) It is not clear what is meant by the periodical valuation of a Railway or an Irrigation system. It is impossible to assign present values to the component parts of a Railway or Irrigation system, and capital value should be taken as the total amount spent. The expenditure on the Kodayar Project and the Quilon-Trivandrum Railway are shown as assets in the financial statements because these works were carried out from State funds, both from revenue and from capital.

MR. G. RAMAN MENON (*Mavelikara* cum *Kartikapalli*): Are not these assets liable to depreciation?

MR. K. GEORGE (*Financial Secretary to Government*): They are.

MR. G. RAMAN MENON (*Mavelikara* cum *Kartikapalli*): Is it not usual for all such assets to be valued periodically?

MR. K. GEORGE (*Financial Secretary to Government*): It is *not* usual in the case of assets of this kind to value them periodically.

MR. G. RAMAN MENON (*Mavelikara* cum *Kartikapalli*): Is it not usual for business firms to do it?

MR. K. GEORGE (*Financial Secretary to Government*): Yes, it is.

Amount of the State Debenture Loan.

2. **MR. G. RAMAN MENON** (*Mavelikara* cum *Kartikapalli*): Will the Government be pleased to explain why the amount of the State Debenture Loan is shown as Rs. 14,74,875 on page 4 of the Appropriation Report for 1099, while the amount of loans on page 2 of the Administration Report for 1099 is shown as Rs. 11,37,790?

MR. K. GEORGE (*Financial Secretary to Government*): The Major Head "Loans" consists of the following items:—

1. Agricultural Loans	...	Dr.	Rs.	3,12,316
2. Miscellaneous Loans and Advances	...	,,	Rs.	23,669
3. Industrial Loans	...	,,	Rs.	1,100
	Total		Rs	3,37 085
4. State Debenture Loan	...	Cr.	Rs.	14,74,875

Of the above, items 1, 2 and 3 are assets, while item 4 is a liability. In the Appropriation Report for 1099, the assets and liabilities under this Major Head are shown separately, while, in the Administration Report, the *net result* only, which is a liability, is shown under "Liabilities."

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